GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1558
ANSWERED ON:11.03.2008
PRIME MINISTER ROZGAR YOJANA
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the total number of unemployed youths provided employment under the Prime Minister's Rozgar Yojana (PMRY) during each of the last three years and in the current year, State and Union Territory-wise;

(b) the total amount allocated to various States in the country under the Prime Minister's Rozgar Yojana (PMRY) during the said period, State and Union Territory-wise;

(c) the measures taken by the Government to make this scheme more effective;

(d) whether the entire amount has been disbursed during the said period;

(e) if not, the reasons therefor; and

(f) the steps being taken in this regard ?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a): The State/Union Territory - wise details of unemployed youths provided employment under the Prime Minister's Rozgar Yojana (PMRY) during each of the last three years and current year are given in Annexure-I.

(b): The State/Union Territory- wise details of funds released for training and contingencies, are given in Annexure-II. In addition, the Central funds for subsidy are routed through the Reserve Bank of India (RBI), which, in turn, passes them on to the implementing banks for crediting the amounts to the loan accounts of individual beneficiaries.

(c): The design parameters of the PMRY, in terms of family income limits for eligibility, project cost ceilings, corresponding ceilings of subsidy, rates of assistance to States towards training of beneficiaries, etc., have been improved with effect from 2007-08 for making the scheme more effective and attractive to the intended beneficiaries.

(d) & (e): The funds are provided by the Central Government to States/UTs each year for training and contingency expenditure on the basis of target and achievement. Surplus/deficit, if any, are adjusted in the subsequent year. The loans are disbursed to beneficiaries by the implementing banks. There is some gap between the amount of loan sanctioned and actually disbursed by banks under PMRY. This is generally due to the applicants not fulfilling the disbursement requirements specified by the banks, delay/difficulty in the applicants obtaining necessary approval/clearance for undertaking the activity from the State/UT Government agencies concerned, delay in allotment of shed, power connection, water supply, etc., by the State/UT agencies, family members of the applicants being found defaulters of bank loans, etc.

(f): The steps taken to reduce the gap between sanctioned and disbursed cases include instructions to RBI/implementing banks not to under-finance projects and not to insist for collateral for PMRY loans upto Rs.5 lakh, instructions to dispose of applications received within specified time limits, instructions to bank branches to endorse one copy of letter conveying sanction of loan to the applicants and also to the District Industries Centre (DIC) concerned for assisting the applicants in completing pre-disbursement formalities, requesting the State Governments to give preference to PMRY beneficiaries in allotment of work place, electricity, water connection, specifying cut-off date for completion of disbursement of loans, periodical review of the progress of sanction and disbursement of loans, etc.